No. 15-1293

In the Supreme Court of the United States

MICHELLE K. LEE, UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY AND DIRECTOR, UNITED STATES PATENT AND TRADEMARK OFFICE,

Petitioner,

v.

SIMON SHIAO TAM,

Respondent.

On Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

BRIEF FOR RESPONDENT

STUART BANNER
EUGENE VOLOKH
UCLA School of Law
Supreme Court Clinic
405 Hilgard Ave.
Los Angeles, CA 90095

JOHN C. CONNELL
Counsel of Record
RONALD D. COLEMAN
JOEL G. MACMULL
Archer & Greiner, P.C.
One Centennial Square
P.O. Box 3000
Haddonfield, NJ 08033
(856) 795-2121
jconnell@archerlaw.com

QUESTION PRESENTED

The disparagement clause in section 2(a) of the Lanham Act, 15 U.S.C. § 1052(a), prohibits the registration of a trademark that "may disparage ... persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute."

The question presented is whether the disparagement clause is contrary to the First Amendment.

TABLE OF CONTENTS

QUESTION PRESENTED i
TABLE OF AUTHORITIES v
STATEMENT 1
SUMMARY OF ARGUMENT 9
ARGUMENT 15
I. The Lanham Act's disparagement clause is contrary to the First Amendment. 15
A. The disparagement clause imposes a significant viewpoint-based burden on speech. 15
1. The disparagement clause discriminates on the basis of viewpoint. 15
2. The disparagement clause imposes a significant burden on speech. 19
3. The disparagement clause is thus contrary to the First Amendment. 21
B. Trademark registration is not a government subsidy or government speech, and trademarks are not pure commercial speech. 25
1. Trademark registration is not a government subsidy, and the disparagement clause would be contrary to the First Amendment even it were. 26
2. Trademark registration is not government speech. 31

3. Trademarks are not pure commercial speech, and the disparagement clause would be contrary to the First Amendment even if they were. 35

4. The government's "common thread" theory should be rejected. 39

II. The Lanham Act's disparagement clause does not bar the registration of Simon Tam's trademark. 41

A. Simon Tam's trademark is not disparaging. 42

B. The disparagement clause bars the registration of marks that disparage natural and juristic persons, not marks that disparage non-juristic entities such as racial and ethnic groups. 46

1. The text of the disparagement clause indicates that it does not bar the registration of marks that disparage minority groups. 46

2. The history of the disparagement clause confirms that it does not bar the registration of marks that disparage minority groups. 48

3. For more than half a century, the PTO did not interpret the disparagement clause to bar the registration of marks that disparage minority groups. 51

III. The Lanham Act's disparagement clause is unconstitutionally vague. 54

CONCLUSION 60

TABLE OF AUTHORITIES

CASES

14 Penn Plaza LLC v. Pyett, 556 U.S. 247 (2009) 41
Agency for Int'l Dev. v. Alliance for Open Soc'y Int'l, Inc., 133 S. Ct. 2321 (2013) 7, 26, 30
Arizona Free Enterprise Club's Freedom Club PAC v. Bennett, 564 U.S. 721 (2011) 29
B & B Hardware, Inc. v. Hargis Indus., Inc., 135 S. Ct. 1293 (2015) 19
Baggett v. Bullitt, 377 U.S. 360 (1964) 58
Bolger v. Youngs Drug Prods. Corp., 463 U.S. 60 (1983) 38
Bond v. United States, 134 S. Ct. 2077 (2014) 41
Brown v. Entertainment Merchants Ass'n, 564 U.S. 786 (2011) 24, 39, 58
Carey v. Population Servs., Int'l, 431 U.S. 678 (1977) 38
Central Hudson Gas & Elec. Corp. v. Public Serv. Comm'n, 447 U.S. 557 (1980) 38
Chevron, U.S.A., Inc. v. NRDC, 467 U.S. 837 (1984) 45, 53
Coates v. City of Cincinnati, 402 U.S. 611 (1971) 55
Cornelius v. NAACP Legal Def. & Educ. Fund, Inc., 473 U.S. 788 (1985) 22, 23, 34
Davenport v. Washington Educ. Ass'n, 551 U.S. 177 (2007) 26, 27
Eldred v. Ashcroft, 537 U.S. 186 (2003) 35
FCC v. Fox Television Stations, Inc., 132 S. Ct. 2307 (2012) 24, 54

FCC v. Fox Television Stations, Inc., 556 U.S. 502 (2009) 24
FCC v. Pacifica Foundation, 438 U.S. 726 (1978) 24, 25
Forsyth Cty. v. Nationalist Movement, 505 U.S. 123 (1992) 24
Friedman v. Rogers, 440 U.S. 1 (1979) 35, 36
Golan v. Holder, 132 S. Ct. 873 (2012) 35
Grayned v. City of Rockford, 408 U.S. 104 (1972) 58
Harper & Row, Publishers, Inc. v. Nation Enters., Inc., 471 U.S. 539 (1985) 35
Hustler Magazine, Inc. v. Falwell, 485 U.S. 46 (1988) 23
In re McGinley, 660 F.2d 481 (C.C.P.A. 1981) 5
Johanns v. Livestock Marketing Ass'n, 544 U.S. 550 (2005) 31, 32, 33
Knox v. Service Employees Int'l Union, 132 S. Ct. 2277 (2012) 27
KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc., 543 U.S. 111 (2004) 19
Leathers v. Medlock, 499 U.S. 439 (1991) 22, 29
Lebron v. National R.R. Passenger Corp., 513 U.S. 374 (1995) 41
Legal Servs. Corp. v. Velazquez, 531 U.S. 533 (2001) 26
NEA v. Finley, 524 U.S. 569 (1998) 26, 29
Pleasant Grove City v. Summum, 555 U.S. 460 (2009) 31, 32, 33, 40
R.A.V. v. City of St. Paul, 505 U.S. 377 (1992) 17, 18, 23, 37

Reed v. Town of Gilbert, 135 S. Ct. 2218 (2015) 15, 23
Regan v. Taxation With Representation of Wash., 461 U.S. 540 (1983) 22, 26
Reno v. ACLU, 521 U.S. 844 (1997) 58
Riley v. Nat'l Fed'n of the Blind, 487 U.S. 781 (1988) 36
Rosenberger v. Rector and Visitors of the Univ. of Va., 515 U.S. 819 (1995) .. 16, 17, 21, 22, 29
Rust v. Sullivan, 500 U.S. 173 (1991) 26
San Francisco Arts & Athletics, Inc. v. United States Olympic Comm., 483 U.S. 522 (1987) 35
Simon & Schuster, Inc. v. Members of the N.Y. State Crime Victims Bd., 502 U.S. 105 (1991) 21
Snyder v. Phelps, 562 U.S. 443 (2011) 24
Sorrell v. IMS Health Inc., 564 U.S. 552 (2011) 21, 37, 38
Speiser v. Randall, 357 U.S. 513 (1958) 58
Texas v. Johnson, 491 U.S. 397 (1989) 24
Thompson v. Western States Med. Ctr., 535 U.S. 357 (2002) 36, 38
United States v. Stevens, 559 U.S. 460 (2010) 13, 18, 39, 40
Village of Hoffman Estates v. Flipside, Hoffman Estates, Inc., 455 U.S. 489 (1982) 54
Wal-Mart Stores, Inc. v. Samara Bros., Inc., 529 U.S. 205 (2000) 19
Walker v. Texas Div., Sons of Confederate Veterans, Inc., 135 S. Ct. 2239 (2015) 31, 32, 33
Yee v. City of Escondido, 503 U.S. 519 (1992) 41

Ysursa v. Pocatello Educ. Ass'n, 555 U.S. 353 (2009) 26, 27

ADMINISTRATIVE DECISIONS

Boswell v. Mavety Media Group Ltd., 52 U.S.P.Q.2d 1600, 1999 WL 1040108 (TTAB 1999) 47
Harjo v. Pro-Football, Inc., 50 U.S.P.Q.2d 1705, 1999 WL 375907 (TTAB 1999), *rev'd on other grounds*, 284 F. Supp. 2d 96 (D.D.C. 2003) 44, 52, 56
In re Beck, 114 U.S.P.Q.2d 1048, 2015 WL 1458229 (TTAB 2015) 52
In re Geller, 2013 WL 2365001 (TTAB 2013) 52
In re Heeb Media, LLC, 89 U.S.P.Q.2d 1071, 2008 WL 5065114 (TTAB 2008) 52, 57
In re Lebanese Arak Corp., 94 U.S.P.Q.2d 1215, 2010 WL 766488 (TTAB 2010) 52, 53
In re Old Glory Condom Corp., 26 U.S.P.Q.2d 1216, 1993 WL 114384 (TTAB 1993) 31
In re Over Our Heads, Inc., 16 U.S.P.Q.2d 1653, 1990 WL 354546 (TTAB 1990) 55
In re Reemtsma Cigarettenfabriken G.M.B.H., 122 U.S.P.Q. 339, 1959 WL 6173 (TTAB 1959) 52, 53
In re Squaw Valley Dev. Co., 80 U.S.P.Q.2d 1264, 2006 WL 1546500 (TTAB 2006) 52

STATUTES

15 U.S.C. § 1052(a) ..... passim
15 U.S.C. § 1057(b) 19
15 U.S.C. § 1065 19
15 U.S.C. § 1072 19

15 U.S.C. § 1114(1) 19
15 U.S.C. § 1115(a) 19
15 U.S.C. § 1115(b) 19
15 U.S.C. § 1117(b) 20
15 U.S.C. § 1124 19
15 U.S.C. § 1127 46

LEGISLATIVE MATERIAL

An Act to provide for the registration and protection of trade-marks used in commerce, to carry out the provisions of certain international conventions, and for other purposes, 60 Stat. 427 (1946) 50
H.R. 4744, 76th Cong., 1st Sess. (1939), § 2(a) 48
H.R. Rep. No. 219, 79th Cong., 1st Sess. (1945) 49
Inter-American Convention for Trade Mark and Commercial Protection, 46 Stat. 2907 (1931) 50
S. Rep. No. 1333, 79th Cong., 2d Sess. (1946) 49
Trade-Marks: Hearings on H.R. 4744 Before the Subcomm. on Trade-Marks of the H. Comm. on Patents, 76th Cong., 1st Sess. (1939) 49, 55
Trade-Marks: Hearings on H.R. 9041 Before the Subcomm. on Trade-Marks of the H. Comm. on Patents, 75th Cong., 3d Sess. (1938) 50, 51

OTHER AUTHORITIES

Martyn Atkins, *Discipleship and the People Called Methodists* 2
Friends General Conference, *FAQs About Quakers* 2
Adam D. Galinsky et al., *The Reappropriation of Stigmatizing Labels: The Reciprocal Relationship Between Power and Self-Labeling*, 24 Psychological Science 2020 (2013) 2
Green's Dictionary of Slang (digital ed. 2016) 42
Stephen P. Ladas, *The Lanham Act and International Trade*, 14 Law & Contemp. Probs. 269 (1949) 50
McCarthy on Trademarks and Unfair Competition (4th ed. Westlaw) 20, 31
Donald S. Passman, *All You Need to Know About the Music Business* (8th ed. 2012) 21
William D. Piersen, *The Origin of the Word "Hoosier": A New Interpretation*, 91 Indiana Magazine of History 189 (1995) 2
Richard Stim, *Music Law: How to Run Your Band's Business* (8th ed. 2015) 20
Jack Tatum, *They Call Me Assassin* (1980) 42
Harry Aubrey Toulmin, Jr., *The Trade-Mark Act of 1946* (1946) 50

STATEMENT

In the decision below, the en banc Court of Appeals correctly held that the disparagement clause of the Lanham Act is contrary to the First Amendment. This provision bars the registration of a trademark that "may disparage ... persons, living or dead." 15 U.S.C. § 1052(a). As the Court of Appeals found, the disparagement clause discriminates on the basis of viewpoint, by imposing a substantial burden on speech with a particular message. The government offers no justification for this viewpoint discrimination other than preventing offense to listeners, but that is not a valid basis for restricting expression.

The judgment of the Court of Appeals can also be affirmed on two other grounds that respondent Simon Tam raised below. First, as a matter of statutory interpretation, the disparagement clause simply does not bar the registration of his trademark. Second, the disparagement clause is unconstitutionally vague.

1. Simon Tam is an Asian-American musician, lecturer, and political activist. He is the founder and leader of The Slants, a rock band based in Portland, Oregon. When Tam formed the band in 2006, his purpose was not just to play music. He also intended the band to be a vehicle for expressing his views on discrimination against Asian-Americans. To that end, he recruited Asian-American band members, and he called his band The Slants.

In choosing that name, Tam was following in the long tradition of *reappropriation*, in which members

of minority groups have reclaimed terms that were once directed at them as insults and redirected the terms outward as badges of pride. *See* Adam D. Galinsky et al., *The Reappropriation of Stigmatizing Labels: The Reciprocal Relationship Between Power and Self-Labeling*, 24 Psychological Science 2020 (2013). In recent times, the most conspicuous examples of reappropriation have involved words such as "queer," "dyke," and so on—formerly derogatory terms that have been so successfully adopted by members of the gay and lesbian community that they have now lost most, if not all, of their pejorative connotations. In earlier periods, regional nicknames such as "hoosier" and "badger" were originally derogatory, but were adopted with pride by Indianans and Wisconsinites respectively. *See* William D. Piersen, *The Origin of the Word "Hoosier": A New Interpretation*, 91 Indiana Magazine of History 189 (1995). Even "Methodist" and "Quaker" began as pejorative epithets, but were adopted by Methodists and Quakers themselves and lost their negative connotations. Martyn Atkins, *Discipleship and the People Called Methodists* 9, http://www.methodist.org.uk/static/deepeningdiscipleship/discipleshipandmethodistsmatkins.pdf; Friends General Conference, *FAQs About Quakers*, http://www.fgcquaker.org/explore/faqs-about-quakers#name.

Tam aimed to do the same for "slant," a derogatory reference to Asian-Americans. "We want to take on these stereotypes that people have about us, like the slanted eyes, and own them," he explained. Pet. App. 166a. He observed: "For our band, we're not just Chinese, we're not just Vietnamese, we're kind

of a pan-Asian band that celebrates all the different Asian cultures out there .... Everyone in the band really loves the fact that we can try and empower Asian Americans and say, 'You know what? We are slant[ed]. Who cares? We're proud of that.'" JA 37-38.

In their music, as the Court of Appeals found, "Mr. Tam and his band weigh in on cultural and political discussions about race and society." Pet. App. 10a. Sometimes The Slants offer wry commentary on racial stereotypes. Their first album is called "Slanted Eyes, Slanted Hearts." Their fourth is "The Yellow Album," a title that combines references to the Beatles' 1968 "White Album" and Jay-Z's 2003 "Black Album" with a reference to the once-common use of the color yellow to refer pejoratively to Asians, as in the phrase "Yellow Peril."

At other times, The Slants come closer to straightforward advocacy. For example, the chorus of their song "Sakura, Sakura" is:

> We sing for the Japanese and the Chinese and all the dirty knees.
>
> Can you see me? We sing in harmony for the babies in the alleys.

The title of "Sakura, Sakura" refers to the well-known Japanese folk song of the same name ("sakura" is Japanese for "cherry blossom"). The Slants' song echoes the melody of the folk song. The first line of the chorus recalls a schoolyard taunt painfully familiar to many Asian-Americans: "Chinese, Japanese, dirty knees, look at these." As Tam has ex-

plained, The Slants "feel strongly that Asians should be proud of their cultural heritage, and not be offended by stereotypical descriptions." Pet. App. 10a (brackets omitted).

In 2011, Tam sought to register THE SLANTS as a trademark. Pet. App. 10a. The examiner refused to register the mark, on the ground that it is disparaging to "persons of Asian descent." Pet. App. 10a.

2. The Trademark Trial and Appeal Board affirmed. Pet. App. 162a-182a. The Board acknowledged that Tam's purpose in naming his band The Slants was "an attempt not to disparage, but rather to wrest 'ownership' of the term from those who might use it with the intent to disparage." Pet. App. 175a. The Board nevertheless determined that "[t]he evidence of public perception of the meaning of THE SLANTS, as used in connection with applicant's services, shows that meaning to be a derogatory reference to people of Asian descent." Pet. App. 174a. The Board concluded that "[t]he fact that applicant has good intentions underlying his use of the term does not obviate the fact that a substantial composite of the referenced group find the term objectionable." Pet. App. 181a.

Tam appealed to the Court of Appeals for the Federal Circuit. He argued that the Board erred in finding his trademark unregistrable under section 2(a) of the Lanham Act, and that section 2(a)'s disparagement clause is contrary to the First Amendment and unconstitutionally vague.

3. A panel of the Court of Appeals affirmed. Pet. App. 123a-161a. The Court of Appeals found that "[t]he evidence here supports the Board's finding that the mark THE SLANTS likely refers to people of Asian descent." Pet. App. 128a. The court also found that "[s]ubstantial evidence supports the Board's finding that the mark THE SLANTS is likely offensive to a substantial composite of people of Asian descent." Pet. App. 130a. The Court of Appeals relied on the precedent of its predecessor court, the Court of Customs and Patent Appeals, to reject Tam's constitutional arguments. Pet. App. 131a-132a (citing *In re McGinley*, 660 F.2d 481 (C.C.P.A. 1981)).

Judge Moore wrote a separate opinion urging the Court of Appeals to reconsider the constitutionality of section 2(a)'s disparagement clause. Pet. App. 135a-161a (Moore, J., additional views).

4. The en banc Court of Appeals vacated the Board's decision and remanded the case to the Board for further proceedings. Pet. App. 1a-122a. The court began by observing that "Mr. Simon Shiao Tam named his band THE SLANTS to make a statement about racial and cultural issues in this country. With his band name, Mr. Tam conveys more about our society than many volumes of undisputedly protected speech." Pet. App. 2a. The en banc court reinstated the panel's holding that THE SLANTS is disparaging. Pet. App. 12a n.3. But the en banc court went on to hold that section 2(a)'s disparagement clause is contrary to the First Amendment.

The Court of Appeals concluded that the disparagement clause discriminates on the basis of view-

point. Pet. App. 19a, 21a. As the court observed, "[t]he PTO rejects marks under § 2(a) when it finds the marks refer to a group in a negative way, but it permits the registration of marks that refer to a group in a positive, non-disparaging manner." Pet. App. 21a. The court concluded: "Section 2(a) is a viewpoint-discriminatory regulation of speech, created and applied in order to stifle the use of certain disfavored messages. Strict scrutiny therefore governs its First Amendment assessment—and no argument has been made that the measure survives such scrutiny." Pet. App. 23a-24a.

The Court of Appeals further held that the disparagement clause could not be upheld as a permissible regulation of commercial speech. The court noted that the disparagement clause regulates the expressive aspects of a trademark, not the mark's commercial function as the identifier of the source of a good or service. Pet. App. 24a. "Importantly," the court noted, "*every time* the PTO refuses to register a mark under § 2(a), it does so because it believes the mark conveys an expressive message." Pet. App. 25a. The court thus concluded that the First Amendment requires strict scrutiny. Pet. App. 25a-26a.

The Court of Appeals rejected the government's contention that section 2(a) restricts no speech and is thus immune from First Amendment scrutiny. Pet. App. 28a-40a. The court concluded that the First Amendment presumptively prohibits content-based and viewpoint-based *burdens* on speech, just as it prohibits similarly discriminatory *bans* on speech. Pet. App. 28a-30a. The court recognized that the advantages of trademark registration are so sig-

nificant that "the § 2(a) bar on registration creates a strong disincentive to choose a 'disparaging' mark." Pet. App. 32a.

The Court of Appeals also rejected the government's suggestion that trademark registrations are government speech. Pet. App. 40a-47a. The court held that registration does not change the fact that trademarks are private speech, not government speech. Pet. App. 40a-41a. The court further held that the accoutrements of registration, such as the placement of a mark on the Principal Register and the PTO's issuance of a registration certificate, "do not convert the underlying speech to government speech." Pet. App. 41a. As the court noted, "the PTO routinely registers marks that no one can say the government endorses," such as CAPITALISM SUCKS DONKEY BALLS and MURDER 4 HIRE. Pet. App. 43a. The court observed, moreover, that "[c]opyright registration has identical accoutrements," so the government's theory would allow it to deny copyright registrations to works that disparaged others, an outcome that would clearly violate the First Amendment. Pet. App. 41a.

The Court of Appeals likewise rejected, on two grounds, the government's argument that section 2(a) is a government subsidy exempt from strict scrutiny. Pet. App. 47a-61a. First, the court noted that under the unconstitutional conditions doctrine, the government may not attach "'conditions that seek to leverage funding to regulate speech outside the contours of the program itself.'" Pet. App. 51a (quoting *Agency for Int'l Dev. v. Alliance for Open Soc'y Int'l, Inc.*, 133 S. Ct. 2321, 2328 (2013)). Be-

cause trademark registration "is not a program through which the government is seeking to get its message out through recipients of funding," the court held, the government cannot condition trademark registration on the avoidance of a particular viewpoint. Pet. App. 52a.

Second, the Court of Appeals determined that trademark registration is not a subsidy. Pet. App. 52a-61a. As the court noted, "the subsidy cases have all involved government funding or government property." Pet. App. 53a. Trademark registration, by contrast, involves neither. "Unlike a subsidy consisting of, for example, HIV/AIDS funding, or tax exemptions, a trademark registration does not directly affect the public fisc," the court concluded. "Instead, a registered trademark redefines the nature of the markholder's rights as against the rights of other citizens." Pet. App. 57a. Thus "the system of trademark registration is a regulatory regime, not a government subsidy program." Pet. App. 57a.

Finally, the Court of Appeals held that section 2(a)'s bar on disparaging trademarks would be contrary to the First Amendment even if it were classified as a regulation of commercial speech. Pet. App. 61a-67a. Under the intermediate scrutiny applicable to commercial speech, regulation must advance a substantial government interest, but the court found that "§ 2(a) immediately fails at this step," because "[t]he entire interest of the government in § 2(a) depends on disapproval of the message." Pet. App. 63a.

Judge O'Malley, joined by Judge Wallach, filed a concurring opinion. Pet. App. 68a-80a. She agreed

that section 2(a)'s disparagement clause is contrary to the First Amendment. She also concluded that the disparagement clause is unconstitutionally vague.

Judge Dyk filed an opinion concurring in part and dissenting in part, which Judges Lourie and Reyna joined in part. Pet. App. 80a-104a. He concluded that section 2(a)'s disparagement clause is contrary to the First Amendment only as applied to marks, such as Simon Tam's, that are "both political and commercial." Pet. App. 102a. He would have upheld the clause as applied to "routine product identifiers," Pet. App. 89a, which he characterized as trademarks that "lack the kind of 'expressive character' that would merit First Amendment protection for offensive content." Pet. App. 90a.

Judge Lourie dissented, Pet. App. 104a-108a, on the ground that the PTO's refusal to register a trademark "is not a denial of an applicant's right of free speech," because "Mr. Tam may use his trademark as he likes" even without federal registration. Pet. App. 105a. Judge Reyna dissented, Pet. App. 108a-122a, on the ground that trademarks are commercial speech and that the disparagement clause satisfies the intermediate scrutiny applicable to commercial speech.

SUMMARY OF ARGUMENT

The Lanham Act's disparagement clause is contrary to the First Amendment. The judgment of the Court of Appeals can also be affirmed on two other grounds Simon Tam raised below. First, as a matter of statutory construction, the disparagement clause

does not bar the registration of his trademark. Second, the disparagement clause is unconstitutionally vague.

I. The disparagement clause is contrary to the First Amendment.

A. The disparagement clause imposes a significant viewpoint-based burden on speech. It permits the registration of marks that express a positive or neutral view of a person, but bars the registration of marks that express a negative view. The denial of registration is a serious burden, because registration confers important legal rights on trademark owners. The First Amendment does not permit the government to impose such a burden on speakers based on their viewpoint.

Even if viewpoint discrimination could be justified by a compelling interest, the government is unable to make that showing here. The only interest the government asserts, and the only interest the disparagement clause conceivably advances, is that of protecting people from being offended by the viewpoints expressed in disparaging trademarks, but the First Amendment does not allow the government to impose burdens on speech to protect listeners against offense.

B. In an attempt to avoid the application of settled First Amendment principles, the government tries to wedge the disparagement clause into three different doctrinal boxes, but the clause does not fit into any of them.

1. Trademark registration is not a government subsidy. Trademark registrants receive no money from the government. In contrast, the Court's subsidy cases all involve actual disbursements of funds to speakers, or the equivalent in the form of tax exemptions or the use of government payroll mechanisms for the purpose of obtaining funds for expression. If trademark registration were a subsidy, copyright registration would be a subsidy too, which would allow the government to deny copyright registrations to works with content the government disfavors.

In any event, the disparagement clause would be unconstitutional even if trademark registration were a subsidy. Viewpoint discrimination in subsidies for private speech is just as impermissible as viewpoint discrimination in any other context. Moreover, where the government places speech-related conditions on the recipients of public funds, those conditions must advance the purpose of the particular program the government is funding. A ban on disparaging marks does not advance the purpose of the Lanham Act, because disparaging marks can identify the source of a product just as accurately as non-disparaging marks.

2. Trademark registration is not government speech. Registration of a trademark does not connote government approval of the mark or the product to which it refers. A trademark, whether registered or unregistered, is speech by the trademark owner, not by the government. Unlike government speech such as license plates and public monuments, trademarks do not communicate messages from the government. They are not understood by the public as statements

by the government. And the government does not control their design or content. The issuance of a trademark registration no more transforms a mark into government speech than the issuance of a copyright registration converts a copyrighted work into government speech.

3. Trademarks are not pure commercial speech. Trademarks have both commercial and expressive purposes; they identify the sources of products and they express points of view. The disparagement clause regulates only the expressive component of trademarks, never the commercial component. The appropriate First Amendment standard is the one for fully protected expression, not commercial speech.

In any event, the disparagement clause would be contrary to the First Amendment even under the doctrine applied to commercial speech. Viewpoint discrimination is impermissible for commercial speech, just like for noncommercial speech. Moreover, the government can advance no interest other than that of preventing offense to listeners, but that is an interest the First Amendment renders off-limits, for commercial speech just like for noncommercial speech.

4. For the second time in recent years, the government advances a theory under which speech gets reduced protection or no protection at all when it shares a "common thread" with categories of speech that get reduced or no protection, even when the speech does not fall within one of these categories. The Court rejected the government's theory in *Unit-*

ed States v. Stevens, 559 U.S. 460 (2010), and it should do so again.

II. The disparagement clause does not bar the registration of Simon Tam's trademark, for two reasons.

A. Simon Tam's trademark is not disparaging. By calling his band The Slants, Tam is not disparaging Asian-Americans. He is doing precisely the opposite: He is appropriating a slur and using it as a badge of pride. The PTO found the name disparaging only because the PTO uses a two-part test of its own invention to determine whether a mark is disparaging, a test that departs in important ways from the text of the statute the PTO is ostensibly interpreting.

B. Simon Tam's trademark does not "disparage ... persons," 15 U.S.C. § 1502(a), because "person" is defined in the Lanham Act to include only natural and juristic persons. Non-juristic entities such as racial and ethnic groups are excluded from this definition. To be sure, each individual Asian-American is a natural person, but the statute cannot be read to bar marks that disparage Asian-Americans on this ground, because *all* collective entities, juristic and non-juristic alike, are made up of natural persons. If the disparagement of a non-juristic group were deemed to constitute the disparagement of the individuals who make up that group, the Lanham Act's distinction between juristic and non-juristic entities would be a nullity.

The history of the disparagement clause confirms that the clause does not protect racial and ethnic groups. The clause was added to the Lanham Act to bring American law into compliance with our treaty

obligations, not to protect minority groups. For decades before and decades after the enactment of the Lanham Act, the PTO routinely registered trademarks derogatory to minority groups. Only in recent years has the PTO applied the disparagement clause to such non-juristic groups. But of course the PTO may not rewrite a statute.

III. The disparagement clause is unconstitutionally vague. The PTO has a sorry record of utterly arbitrary disparagement decisions. Part of the problem is the subjectivity inherent in deciding whether a mark is disparaging. The PTO has made the vagueness problem even worse by construing the statute non-literally to bar the registration of marks that disparage non-juristic groups, and has compounded it again by refusing to say how many members of the referenced group must perceive disparagement. Applicants have no way to predict what the PTO will do.

Vague speech restrictions chill speech. The disparagement clause is a strong incentive to stay away from any name the PTO might conceivably find disparaging, because it can be extraordinarily costly and disruptive to change the name of a product that is already in the market. Vague speech restrictions also facilitate discriminatory enforcement. The disparagement clause provides PTO examiners with broad power to grant or refuse registration based on the examiners' own subjective preferences. The PTO has been aware of this problem ever since the Lanham Act was enacted, but it is no closer to a solution today than at any time in the past.

ARGUMENT

The disparagement clause violates the First Amendment, because it imposes a significant viewpoint-based burden on speech. The judgment of the Court of Appeals can also be affirmed on two other grounds Simon Tam raised below. First, the disparagement clause does not bar the registration of Simon Tam's trademark. Second, the disparagement clause is unconstitutionally vague.

I. The Lanham Act's disparagement clause is contrary to the First Amendment.

The Court of Appeals correctly held that the disparagement clause is contrary to the First Amendment. The clause imposes a significant viewpoint-based burden on speech. The government errs in characterizing registered trademarks as government subsidies, government speech, and pure commercial speech.

A. The disparagement clause imposes a significant viewpoint-based burden on speech.

1. The disparagement clause discriminates on the basis of viewpoint.

The disparagement clause discriminates on the basis of viewpoint, by singling out disparaging marks for disfavored treatment. Viewpoint discrimination is "the regulation of speech based on the ... opinion or perspective of the speaker." *Reed v. Town of Gilbert*, 135 S. Ct. 2218, 2230 (2015) (citation and

internal quotation marks omitted). "When the government targets not subject matter, but particular views taken by speakers on a subject, the violation of the First Amendment is all the more blatant." *Rosenberger v. Rector and Visitors of the Univ. of Va.*, 515 U.S. 819, 829 (1995).

The disparagement clause permits the registration of marks that express a positive or neutral view of a person, but bars the registration of marks that express a negative view. Applying the disparagement clause, the PTO has registered THINK ISLAM, but it has refused registration to STOP THE ISLAMISATION OF AMERICA. Pet. App. 21a-22a. The PTO has registered NATIONAL REPUBLICAN SENATORIAL COMMITTEE, but it has refused registration to REPUBLICANS SHOULDN'T BREED. Pet. App. 8a. The PTO has registered CELEBRASIANS and ASIAN EFFICIENCY, Pet. App. 21a, but—because it erroneously concluded that the mark expresses a negative view of Asian-Americans—the PTO refused registration to THE SLANTS.

The disparagement clause explicitly discriminates on the basis of the viewpoint expressed by the trademark owner. The clause forbids the registration of DEMOCRATS ARE TERRIBLE, but allows the registration of DEMOCRATS ARE WONDERFUL. It forbids the registration of STOP THE ISLAMISATION OF AMERICA, but allows the registration of ENCOURAGE THE ISLAMISATION OF AMERICA. This is the very definition of viewpoint discrimination—the disfavoring of one side of a debate.

The government suggests (U.S. Br. 46) that the disparagement clause is not viewpoint-based, on the theory that it prohibits the registration of marks that disparage anyone, regardless of the identity of the disparaged person. But the disfavoring of *all* negative viewpoints is still viewpoint discrimination. A law that burdened any speech critical of anyone would be a frightening prospect, precisely because it would amount to viewpoint discrimination on a massive scale.

Nor could the government defend the disparagement clause on the theory that it prohibits the registration of marks that disparage anyone, regardless of the *viewpoint* of the disparaged person. The relevant viewpoint in First Amendment cases is the viewpoint of the speaker, not the viewpoint of the person he is speaking about. *Rosenberger*, 515 U.S. at 829 ("The government must abstain from regulating speech when the specific motivating ideology or the opinion or perspective *of the speaker* is the rationale for the restriction.") (emphasis added). A law that burdened the disparagement, but not praise, of public officials would still be viewpoint-based, even if it burdened the disparagement of Republicans and Democrats alike.

The government likewise errs in defending (U.S. Br. 45) the disparagement clause by analogy to a hypothetical statute (mentioned in *R.A.V. v. City of St. Paul*, 505 U.S. 377, 391 (1992)) prohibiting the use of "odious racial epithets." First, the disparagement clause burdens much more speech than merely racial epithets. Many of the trademarks the PTO has rejected on disparagement grounds—such as STOP THE

ISLAMISATION OF AMERICA, HAVE YOU HEARD THAT SATAN IS A REPUBLICAN?, and DEMOCRATS SHOULDN'T BREED—involve no racial epithets, or indeed any epithets at all.

Moreover, *R.A.V.* did not hold (and had no occasion to hold) that a law targeting "odious racial epithets" would be viewpoint-neutral; indeed, what makes something an "odious racial epithet" is precisely the viewpoint it expresses. In any event, the disparagement clause is exactly the sort of law that *R.A.V.* described as viewpoint-based. Because the disparagement clause explicitly discriminates based on the viewpoints expressed by speakers, it unconstitutionally "license[s] one side of a debate," *id.* at 392, to register trademarks expressing its views, while denying such license to the other side.

The government also errs in characterizing (U.S. Br. 44-45) the disparagement clause as viewpoint-neutral, based on an analogy to laws against libel, threats, and fighting words. The reason such laws are constitutionally permissible is not that they are viewpoint-neutral, but rather that libel, threats, and fighting words are "well-defined and narrowly limited classes of speech" that are completely outside of First Amendment protection. *United States v. Stevens*, 559 U.S. 460, 468-69 (2010). Disparaging speech, by contrast, is at the heart of the First Amendment. Political debates, and indeed debates over many other matters of public concern, often involve sharp criticism of opposing views, criticism that sometimes disparages the holders of those views. Libel, threats, and fighting words can be

banned by the government. Disparaging speech cannot.[1]

2. The disparagement clause imposes a significant burden on speech.

The disparagement clause imposes a significant viewpoint-based burden on speech. As the Court has repeatedly recognized, "[r]egistration is significant. The Lanham Act confers important legal rights and benefits on trademark owners who register their marks." *B & B Hardware, Inc. v. Hargis Indus., Inc.*, 135 S. Ct. 1293, 1300 (2015) (citation and internal quotation marks omitted); *see also KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 543 U.S. 111, 117 (2004); *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205, 209 (2000). For example, registration serves as nationwide constructive notice of the registrant's claim of ownership, which eliminates any possible defense of good faith adoption after the date of registration. 15 U.S.C. § 1072. Registration constitutes prima facie evidence of the mark's validity and the registrant's exclusive right to use the mark. *Id.* §§ 1057(b), 1115(a). After five years, the right to use a registered mark can become "incontestable." *Id.* §§ 1065, 1115(b). Registered marks receive greater protection against counterfeiting, *id.* § 1114(1), and the importation of foreign goods bearing an infringing mark, *id.* § 1124. The owner of a registered mark is entitled to enhanced

---

[1] Even if the disparagement clause were viewpoint-neutral, it would clearly be content-based, and it would fail strict scrutiny for the reasons given below. The government does not even argue that the disparagement clause could satisfy strict scrutiny.

remedies against infringers, including treble damages and attorneys' fees in certain circumstances. *Id.* § 1117(b).

Virtually all the states have adopted the Model State Trademark Act, which includes many of the same provisions as the Lanham Act, including the disparagement clause, so this disparity in legal rights between registered and unregistered marks is replicated at the state level. *McCarthy on Trademarks and Unfair Competition* § 22.5 (4th ed. Westlaw). In short, "registration of a mark on the federal Principal Register confers a number of procedural and substantive legal advantages over reliance on common law rights." *Id.* § 19.9.[2]

The advantages of registration are as great in the music industry as in any other business. If another band, anywhere in the United States, were also to call themselves The Slants, registration would equip Tam with powerful tools to enforce his trademark rights. These tools would likely be enough to deter other bands from calling themselves The Slants in the first place. For this reason, bands from ABBA to ZZ TOP routinely register their names as trademarks, and published guides for musicians advise up-and-coming bands to do the same. *See, e.g.*, Richard Stim, *Music Law: How to Run Your Band's*

---

[2] Indeed, the Federal Circuit and other courts have suggested that a mark refused registration under section 2(a) can receive no protection at all under the Lanham Act. *See* Pet. App. 39a n.11. The Court need not resolve this question in our case. The critical point is that under any view of the law, it is clear that the owner of a registered trademark has many more legal rights than the owner of a trademark that cannot be registered.

Business 249, 259 (8th ed. 2015); Donald S. Passman, *All You Need to Know About the Music Business* 359-60 (8th ed. 2012).

Because the disparagement clause deprives trademark owners of important legal rights available only to trademark registrants, it is a significant viewpoint-based burden. It discourages the adoption of trademarks that take a certain point of view just as surely as would a tax levied on those trademarks.[3]

3. The disparagement clause is thus contrary to the First Amendment.

The disparagement clause is thus contrary to the First Amendment, which prohibits the imposition of viewpoint-based burdens on speakers. *Rosenberger*, 515 U.S. at 828-29. "Lawmakers may no more silence unwanted speech by burdening its utterance than by censoring its content." *Sorrell v. IMS Health Inc.*, 564 U.S. 552, 566 (2011). Viewpoint-based burdens on speech raise "the specter that the government may effectively drive certain ideas or viewpoints from the marketplace." *Simon & Schuster, Inc. v. Members of the N.Y. State Crime Victims Bd.*,

---

[3] Amici AAJC et al. err in suggesting (AAJC Br. 8-12) that registering Simon Tam's trademark would hinder the efforts of minority communities to reappropriate derogatory words. Registration would help Tam prevent other bands from calling themselves The Slants, but registration would not hinder anyone from using the word "slant" in a reappropriative way, as long as they are not using it as the name of a band. Indeed, Tam chose that name precisely to *encourage* other people to join him in reappropriating the word.

502 U.S. 105, 116 (1991) (citing *Leathers v. Medlock*, 499 U.S. 439, 448-49 (1991)).

The government makes much (U.S. Br. 26) of the fact that Simon Tam may still call his band The Slants despite the burden of not being able to register the name as a trademark. But that could hardly excuse a viewpoint-based burden on speech. The student group in *Rosenberger* could still have published its newspaper without the funding provided to other groups, but the Court found the disparity contrary to the First Amendment, because it was based on viewpoint. *Rosenberger*, 515 U.S. at 828. In *Cornelius v. NAACP Legal Def. & Educ. Fund, Inc.*, 473 U.S. 788, 811-13 (1985), the Legal Defense Fund could still have raised funds outside the Combined Federal Campaign, but the Court concluded that any viewpoint-based exclusion from that program would be unconstitutional. Nonprofits that engage in speech on ideological issues could still speak without a tax exemption, but viewpoint-based denial of tax exemptions would violate the First Amendment. *Rosenberger*, 515 U.S. at 834 (discussing *Regan v. Taxation With Representation of Wash.*, 461 U.S. 540, 548 (1983)).

The Court has often indicated that viewpoint discrimination is unjustifiable regardless of whether the government has offered a compelling interest. *See, e.g., Rosenberger*, 515 U.S. at 829 ("The government must abstain from regulating speech when the specific motivating ideology or the opinion or perspective of the speaker is the rationale for the restriction. ... These principles provide the framework forbidding the State to exercise viewpoint discrimi-

nation."); *R.A.V.*, 505 U.S. at 386 ("The government may not regulate use based on hostility—or favoritism—towards the underlying message expressed."); *Cornelius*, 473 U.S. at 812-13 (remanding for a determination of whether government action "was impermissibly motivated by a desire to suppress a particular point of view").

But even if viewpoint discrimination could be justified by the same showing that justifies content discrimination—that the regulation is "narrowly tailored to serve compelling state interests," *Reed*, 135 S. Ct. at 2226—the government is unable to make that showing here.

The government has not even claimed that the disparagement clause serves a compelling interest. The only interest the government asserts, and the only interest the disparagement clause conceivably advances, is that of protecting people from being offended by the viewpoints expressed in disparaging trademarks. U.S. Br. 48 (quoting Judge Dyk's observation that "the purpose of the statute is to protect underrepresented groups in our society from being bombarded with demeaning messages in commercial advertising," Pet. App. 81a). This claimed government interest demonstrates all too clearly that the disparagement clause is intended to hinder the expression of certain viewpoints.

In any event, the First Amendment does not allow the government to impose burdens on speech to protect listeners against offensive views. *Hustler Magazine, Inc. v. Falwell*, 485 U.S. 46, 55 (1988). "[S]peech cannot be restricted simply because it is upsetting."

Snyder v. Phelps, 562 U.S. 443, 458 (2011). "Speech cannot be financially burdened, any more than it can be punished or banned, simply because it might offend." *Forsyth Cty. v. Nationalist Movement*, 505 U.S. 123, 134-35 (1992). The government's analogy (U.S. Br. 48) to antidiscrimination laws is wide of the mark, because while the government has ample authority to penalize offensive *acts*, it has no comparable authority to penalize offensive *speech*.

Nor does the First Amendment permit the government to burden speech to protect society as a whole from being offended. Disparaging trademarks may arouse disgust, "but disgust is not a valid basis for restricting expression." *Brown v. Entertainment Merchants Ass'n*, 564 U.S. 786, 798 (2011). "If there is a bedrock principle underlying the First Amendment, it is that the government may not prohibit the expression of an idea simply because society finds the idea itself offensive or disagreeable." *Texas v. Johnson*, 491 U.S. 397, 414 (1989).

In certain narrow contexts the Court has permitted *content*-based restrictions on certain offensive words. *FCC v. Pacifica Foundation*, 438 U.S. 726 (1978).[4] But the lead opinion in *Pacifica* was careful to stress that *viewpoint* discrimination would be forbidden even there: "[I]f it is the speaker's opinion that gives offense, that consequence is a reason for according it constitutional protection. For it is a cen-

---

[4] This view has recently been questioned. *FCC v. Fox Television Stations, Inc.*, 132 S. Ct. 2307, 2321 (2012) (Ginsburg, J., concurring in the judgment) (stating that *Pacifica* was mistaken); *FCC v. Fox Television Stations, Inc.*, 556 U.S. 502, 530-34 (2009) (Thomas, J., concurring) (making a similar suggestion).

tral tenet of the First Amendment that the government must remain neutral in the marketplace of ideas." *Pacifica*, 438 U.S. at 745-46. As on the government-licensed airwaves, so on the government-administered trademark register, excluding speech because it expresses a "disparaging" opinion—excluding STOP THE ISLAMISATION OF AMERICA but not ENCOURAGE THE ISLAMISATION OF AMERICA, or allowing CELEBRASIANS but not THE SLANTS—violates this central tenet.

B. Trademark registration is not a government subsidy or government speech, and trademarks are not pure commercial speech.

In an attempt to avoid the application of settled First Amendment principles, the government tries to wedge the disparagement clause into three different doctrinal boxes. But the disparagement clause does not fit into any of them. Registered trademarks are not government subsidies, government speech, or pure commercial speech. The government also advances, for the second time in recent years, a theory under which speech gets reduced protection or no protection at all when it shares a "common thread" with categories of speech that get reduced or no protection, even when the speech does not fall within one of these categories. The government's theory should once again be rejected.

1. Trademark registration is not a government subsidy, and the disparagement clause would be contrary to the First Amendment even if it were.

The government characterizes (U.S. Br. 14-19) trademark registration as a subsidy to trademark owners which the government may spend as it sees fit. But trademark registration is not a subsidy. Trademark registrants receive no money from the government. In contrast, the Court's subsidy cases all involve actual disbursements of funds from the government to speakers, or the equivalent in the form of tax exemptions or the use of government payroll mechanisms for the purpose of obtaining funds for expression. *See, e.g.*, *Agency for Int'l Dev. v. Alliance for Open Soc'y Int'l, Inc.*, 133 S. Ct. 2321 (2013); *Ysursa v. Pocatello Educ. Ass'n*, 555 U.S. 353 (2009); *Davenport v. Washington Educ. Ass'n*, 551 U.S. 177 (2007); *Legal Servs. Corp. v. Velazquez*, 531 U.S. 533 (2001); *NEA v. Finley*, 524 U.S. 569 (1998); *Rust v. Sullivan*, 500 U.S. 173 (1991); *Regan v. Taxation With Representation of Wash.*, 461 U.S. 540 (1983).

Rather than being a subsidy, trademark registration is a recording system, analogous to the federal registration systems for copyrights and patents, and like the title recording systems state governments operate for real property. In each of these systems, applicants who meet certain requirements may register their property, and registration gives the registrant certain legal rights that are unavailable to non-registrants. The government is acting as a regu-

lator, not as a subsidizer. Just as the federal government does not subsidize copyright or patent holders, and just as state governments do not subsidize landowners who register their titles, the PTO does not subsidize trademark registrants. Trademark registrants certainly obtain legal rights from registration, which they are then responsible to enforce, but in this respect trademark registrants are in the same position as any other private parties resorting to the courts and other agencies to enforce rights conferred by other government regulatory systems. If such legal rights were deemed subsidies for First Amendment purposes, the government would gain a frightening power to regulate the content of private speech.

Ysursa and *Davenport*, the cases on which the government relies (U.S. Br. 17-18) in its effort to characterize trademark registration as a subsidy, are easily distinguishable. In both cases, labor unions claimed a First Amendment right to an indirect government subsidy for the unions' speech, in the form of government-provided deductions from employees' paychecks. The Court rejected the unions' claim. *Ysursa*, 555 U.S. at 355 (First Amendment "does not confer an affirmative right to use government payroll mechanisms for the purpose of obtaining funds for expression"); *Davenport*, 551 U.S. at 189-90. As the Court has explained, the "general rule" of these cases and others like them is that "individuals should not be compelled to subsidize private groups or private speech." *Knox v. Service Employees Int'l Union*, 132 S. Ct. 2277, 2295 (2012). *Ysursa* and *Davenport* involved government-provided

subsidies for speech. They do not stand for the astonishingly broad rule advanced by the government—that for First Amendment purposes, a subsidy is created by any regulatory scheme in which registrants receive legal rights unavailable to non-registrants.

Classifying the trademark and copyright registration systems as subsidies for First Amendment purposes, moreover, would let the government deny copyright registration to works based on their content—a dangerous and unprecedented result. If the Copyright Act included a clause prohibiting copyright registration of works that disparage any person, the First Amendment violation would be obvious. The government registers copyrights just as it registers trademarks. The First Amendment applies in the same way to both.[5]

---

[5] The government tries (U.S. Br. 47-48) to distinguish copyrights from trademarks on the ground that some trademarks, such as GOOGLE, are invented words with no expressive meaning. But this argument misses the point, which is that if trademark registration is a subsidy for First Amendment purposes, copyright registration would be a subsidy too, which would allow the government to deny copyright registration to works with content the government disfavors.

The proposed distinction also fails on its own terms. Even if some trademarks lack expressive meaning, many others are packed with expressive meaning, such as THE SLANTS, DYKES ON BIKES, and THINK ISLAM. Moreover, trademarks that are invented words *do* have expressive meaning. GOOGLE, for example, is a play on the word "googol," the numeral 1 followed by 100 zeroes, to indicate the enormous amount of information organized by Google's search engine.

In any event, the disparagement clause would be unconstitutional even if trademark registration were a subsidy. Viewpoint discrimination in subsidies for private speech is just as impermissible as viewpoint discrimination in any other context. *Rosenberger*, 515 U.S. at 834 (reaffirming "the requirement of viewpoint neutrality in the Government's provision of financial benefits"). The government may not "leverage its power to award subsidies ... into a penalty on disfavored viewpoints." *Finley*, 524 U.S. at 587. Thus Congress may lawfully direct the NEA, when making a funding decision, to consider "general standards of decency and respect for the diverse beliefs and values of the American public," *id.* at 572, because the Court interpreted that command in a way that rendered it viewpoint-neutral. *Id.* at 581-84. But Congress could not lawfully direct the NEA to fund only artists whose work praises the current administration, because such a command would be viewpoint discrimination.

The government suggests (U.S. Br. 8-9, 19) that the First Amendment allows the government to discriminate on the basis of viewpoint when it assists speakers through the provision of subsidies or tax exemptions. This suggestion is erroneous. The Court has made clear that the First Amendment forbids subsidies and tax exemptions for private speech that discriminate on the basis of viewpoint. *Rosenberger*, 515 U.S. at 834; *Finley*, 524 U.S. at 587; *see also Leathers*, 499 U.S. at 450 ("a tax scheme that discriminates among speakers does not implicate the First Amendment unless it discriminates on the basis of ideas"); *Arizona Free Enterprise Club's Free-*

dom Club PAC v. Bennett, 564 U.S. 721, 764 (2011) (Kagan, J., dissenting) ("Government subsidies of speech, designed to stimulate expression, are consistent with the First Amendment so long as they do not discriminate on the basis of viewpoint.") (brackets, ellipses, and internal quotation marks omitted). The government's contrary view would let the government use a vast range of programs as levers to control private speech. The IRS, for example, would become constitutionally entitled to refuse § 501(c)(3) exemptions to groups that oppose a war, or criticize the President, or display "demeaning illustrations" of religious figures (U.S. Br. 28), to use the government's own example. The government has no such power to pressure speakers into adopting government-approved viewpoints.

There is a second reason the disparagement clause would violate the First Amendment even if trademark registration were a subsidy: It would be a condition of funding unrelated to the purpose the funding was intended to accomplish. When the government places speech-related conditions on the recipients of government funds, those conditions must "define the limits of the government spending program"—*i.e.*, the conditions must advance "the activities Congress wants to subsidize." *AID*, 133 S. Ct. at 2328. The purpose of the Lanham Act is to enable the public to identify the sources of products. Content-based and viewpoint-based distinctions that do not advance this purpose are contrary to the First Amendment. Thus the government can refuse registration on the ground that a mark is deceptive, or that it is too similar to another mark, because these

distinctions serve the Lanham Act's purpose. But whether a mark is disparaging has no relationship to whether it accurately identifies the source of a product. Disparaging marks can serve this purpose just as well as non-disparaging marks.

2. Trademark registration is not government speech.

The government suggests (U.S. Br. 37-41) that a registered trademark is government speech rather than private speech. But registration of a trademark does not convert the trademark into government speech. Registration does not connote government approval of the mark or the product to which the mark refers. *McCarthy on Trademarks* § 19:3.50. As the PTO itself has explained, "the issuance of a trademark registration by this Office does not amount to a government endorsement of the quality of the goods to which the mark is applied," and "the act of registration is not a government imprimatur or pronouncement that the mark is a 'good' one in an aesthetic, or any analogous, sense." *In re Old Glory Condom Corp.*, 26 U.S.P.Q.2d 1216, 1993 WL 114384, *5 n.3 (TTAB 1993). A trademark, whether registered or unregistered, is speech by the trademark owner, not speech by the government.

Trademarks thus differ in every relevant respect from government speech such as license plates, *Walker v. Texas Div., Sons of Confederate Veterans, Inc.*, 135 S. Ct. 2239 (2015), public monuments, *Pleasant Grove City v. Summum*, 555 U.S. 460 (2009), and government advertising programs, *Jo-*

hanns v. Livestock Marketing Ass'n, 544 U.S. 550 (2005).

First, trademarks do not communicate messages from the government or express the government's policy, position, or preference on any issue. *Cf. Walker*, 135 S. Ct. at 2248 ("license plates ... long have communicated messages from the States"); *Summum*, 555 U.S. at 470 ("Governments have long used monuments to speak to the public."); *id.* at 473 ("The city has selected those monuments that it wants to display for the purpose of presenting the image of the City that it wishes to project."); *Johanns*, 544 U.S. at 560-61 ("The message set out in the beef promotions is from beginning to end the message established by the Federal Government."). Trademarks communicate messages from their owners and express their owners' viewpoints, not the viewpoint of the government. As the Court of Appeals correctly noted, "the PTO routinely registers marks that no one can say the government endorses," such as RADICALLY FOLLOWING CHRIST IN MISSION TOGETHER, THINK ISLAM, GANJA UNIVERSITY, CAPITALISM SUCKS DONKEY BALLS, TAKE YO PANTIES OFF, and MURDER 4 HIRE. Pet. App. 43a.

Second, trademarks are not understood by the public as statements made by the government. *Cf. Walker*, 135 S. Ct. at 2248 ("license plate designs are often closely identified in the public mind with the State") (citation, brackets, and internal quotation marks omitted); *Summum*, 555 U.S. at 471 (noting that when donated monuments are placed on land owned by the government, "persons who observe donated monuments routinely—and reasonably—

interpret them as conveying some message on the property owner's behalf. In this context, there is little chance that observers will fail to appreciate the identity of the speaker."); *Johanns*, 544 U.S. at 564-66 (rejecting the argument that the advertisements at issue would be attributed to parties other than the government). Trademarks are understood, correctly, as statements from their owners, not statements from the government. No reasonable person would think of FORD, TOYOTA, and MERCEDES-BENZ—not to mention CAPITALISM SUCKS DONKEY BALLS—as statements made by the government of the United States.

Finally, the government does not control the design or the content of trademarks. *Cf. Walker*, 135 S. Ct. at 2249 ("Texas maintains direct control over the messages conveyed on its specialty plates."); *Summum*, 555 U.S. at 473 ("The City has effectively controlled the messages sent by the monuments in the Park.") (citation and internal quotation marks omitted); *Johanns*, 544 U.S. at 562 ("the government sets the overall message to be communicated and approves every word that is disseminated"). The textual and graphic elements of trademarks are entirely within the control of trademark owners. All the government does is register the marks that satisfy the statutory criteria.

Trademark registration no more transforms a mark into government speech than copyright registration converts a copyrighted work into government speech. The publication of a trademark on the Principal Register is a statement by the government that the mark satisfies the statutory criteria for registra-

tion, but the government says no more than that. When it registers TOYOTA, the government does not say "Toyota"; when it registers CAPITALISM SUCKS DONKEY BALLS, the government does not say "capitalism sucks donkey balls." The government merely says that TOYOTA and CAPITALISM SUCKS DONKEY BALLS satisfy the Lanham Act's requirements for registration.

The government mistakenly finds significance (U.S. Br. 39) in the fact that the Principal Register is published by the PTO. But material published by the government often includes private speech. Congressional hearings include the testimony of private parties; no one thinks this testimony is government speech. The *United States Reports* formerly included the arguments of counsel; no one thought that counsel for private parties were speaking on the government's behalf. The speech at issue in *Cornelius* was published in government-printed literature and was distributed by government employees, to other government employees, in government workplaces, during government working hours. Yet the Court treated the speech as private speech, not government speech. *Cornelius*, 473 U.S. at 797-99.

Indeed, if the issuance of a trademark registration were enough to convert a trademark to government speech, the issuance of a copyright registration would do the same for copyrighted works, which would allow the government to strip works of copy-

right based on their viewpoint. That cannot be right.[6]

3. Trademarks are not pure commercial speech, and the disparagement clause would be contrary to the First Amendment even if they were.

The government contends (U.S. Br. 48) that trademarks are purely commercial speech. But trademarks are not purely commercial speech, and the disparagement clause would be unconstitutional even if they were.

Trademarks have both commercial and expressive functions. They identify the sources of goods and services and they also express points of view. In some trademarks, perhaps, the expressive component may be so minimal that it can be disregarded. *Friedman v. Rogers*, 440 U.S. 1 (1979), for instance, involved a bare-bones trade name ("Texas State Optical") that did not "editorialize on any subject, cultural, philosophical, or political," or "make generalized observations even about commercial matters."

---

[6] Amici Blackhorse et al. erroneously suggest (Blackhorse Br. 9-15) that the First Amendment does not restrict intellectual property regulation such as trademark and copyright. In fact, the Court has routinely applied the First Amendment to intellectual property regulation, including copyright and trademark-like protection. *See, e.g.*, *Golan v. Holder*, 132 S. Ct. 873 (2012); *Eldred v. Ashcroft*, 537 U.S. 186 (2003); *San Francisco Arts & Athletics, Inc. v. United States Olympic Comm.*, 483 U.S. 522 (1987); *Harper & Row, Publishers, Inc. v. Nation Enters., Inc.*, 471 U.S. 539 (1985).

Id. at 11. The Court accordingly treated this trade name as commercial speech. *Id.*

In other trademarks, such as THE SLANTS, THINK ISLAM, or DYKES ON BIKES, the expressive component is the dominant feature of the mark. Such marks *do* editorialize on cultural, philosophical, and political subjects. They do more than merely facilitate commercial transactions. In such cases, where the commercial and expressive functions of speech "are inextricably intertwined, we cannot parcel out the speech, applying one test to one phrase and another test to another phrase. ... Therefore, we apply our test for fully protected expression." *Riley v. Nat'l Fed'n of the Blind*, 487 U.S. 781, 796 (1988).

Equally important, the disparagement clause regulates only the expressive component of trademarks, never the commercial component. As the Court of Appeals correctly concluded, "*every time* the PTO refuses to register a mark under § 2(a), it does so because it believes the mark conveys an expressive message." Pet. App. 25a. Other provisions in the Lanham Act regulate only the commercial component of trademarks. Even if these other provisions are assessed as regulations of commercial speech, the disparagement clause should not be, because it directly targets the viewpoint expressed by the trademark.

Classifying trademarks as pure commercial speech would produce very strange consequences. Commercial speech receives no First Amendment protection if it is misleading. *Thompson v. Western States Med. Ctr.*, 535 U.S. 357, 367 (2002). But many

trademarks take positions on contested issues. Such marks could be banned—not merely refused registration, but completely prohibited—if they were classified as commercial speech and deemed misleading. For example, GLOBAL WARMING SUCKS and GLOBAL WARMING IS GOOD! are both registered trademarks. Until recently, so was CITIZENS AGAINST THE GLOBAL WARMING HOAX. At least one of these marks must be misleading, and perhaps two are. If they were classified as commercial speech, the misleading ones would lose all First Amendment protection. The government would gain the power to prohibit their use.

In any event, even if trademarks were pure commercial speech, and even if the disparagement clause regulated trademarks' commercial components rather than their expressive components, the disparagement clause would still be contrary to the First Amendment. The Court has made clear that viewpoint discrimination is generally impermissible for commercial speech, just like for noncommercial speech. *Sorrell*, 564 U.S. at 571 (observing that "it is all but dispositive to conclude that a law is content-based and, in practice, viewpoint-discriminatory .... whether a special commercial speech inquiry or a stricter form of judicial scrutiny is applied"). For example, while the government may limit commercial advertising to prevent fraud, the government "may not prohibit only that commercial advertising that depicts men in a demeaning fashion," *R.A.V.*, 505 U.S. at 389, because such a prohibition would discriminate on the basis of viewpoint. "Commercial speech is no exception" to the rule that "[t]he First Amendment requires heightened scrutiny whenever

the government creates a regulation of speech because of disagreement with the message it conveys." *Sorrell*, 564 U.S. at 566 (internal quotation marks omitted).

Moreover, even if the disparagement clause did not discriminate on the basis of viewpoint, under the *Central Hudson* test the government would have to show that the disparagement clause directly advances a substantial state interest. *Thompson*, 535 U.S. at 367; *Central Hudson Gas & Elec. Corp. v. Public Serv. Comm'n*, 447 U.S. 557, 566 (1980). The government cannot make this showing.

First, the government can advance no interest other than that of preventing offense to listeners, but that is an interest the First Amendment renders off-limits, for commercial speech just as for noncommercial speech. *Bolger v. Youngs Drug Prods. Corp.*, 463 U.S. 60, 71-72 (1983); *Carey v. Population Servs., Int'l*, 431 U.S. 678, 701 (1977).

Second, even if the government had a substantial interest in preventing offense to listeners, the disparagement clause does not directly advance that interest. One can hardly say that denying registration to THE SLANTS and REPUBLICANS SHOULDN'T BREED, while permitting the registration of marks like TAKE YO PANTIES OFF and MURDER 4 HIRE, directly advances any interest in maintaining an inoffensive public discourse.

4. The government's "common thread" theory should be rejected.

In an implicit acknowledgement that registered trademarks are neither subsidies nor government speech, the government attempts (U.S. Br. 43) to blur these categories. The government suggests that although trademarks are not actually subsidies, they should be treated as if they were (U.S. Br. 17), and that although trademarks are not actually government speech (U.S. Br. 42), they should be treated as if they were (U.S. Br. 37). For the second time in recent years, the government advances a theory under which speech gets reduced protection or no protection at all when it shares a "common thread" (U.S. Br. 19) with categories of speech that get reduced or no protection, even when the speech does not fall within one of these categories. This theory should once again be rejected.

The Court has already rejected the government's theory. In *Stevens*, 559 U.S. at 469-70, the government suggested that depictions of animal cruelty should receive no First Amendment protection, on the ground that depictions of animal cruelty share a common thread with other forms of speech that receive no protection. Brief for the United States, *United States v. Stevens*, No. 08-769 (June 8, 2008), at 35 ("The depictions of animal cruelty at issue ... share several characteristics with other kinds of unprotected speech."). The Court found this theory "startling and dangerous." *Stevens*, 559 U.S. at 470. The Court held that it lacks "freewheeling authority to declare new categories of speech outside the scope of the First Amendment." *Id.* at 472. *See also Brown*

v. Entertainment Merchants Ass'n, 564 U.S. 786, 791-93 (2011) (rejecting a state's argument that violent speech should receive no First Amendment protection because it is analogous to obscenity).

Stevens disposes of the government's analogy to government speech, which receives no First Amendment protection. *Summum*, 555 U.S. at 467. Private speech cannot be denied First Amendment protection merely because it shares characteristics with government speech. Because such speech is private speech, it must be reviewed under existing doctrine, like any other private speech. *See Stevens*, 559 U.S. at 472.

The logic of *Stevens* disposes of the rest of the government's analogies as well. Certain categories of speech receive reduced First Amendment protection. Where speech does not fall within one of those categories, it cannot be treated as if it did, simply because it shares a common thread with speech that does. Thus speech cannot be given reduced protection on the ground that it is *similar to* commercial speech, if it is not actually commercial speech. Regulation cannot be given relaxed scrutiny on the ground that it *shares features with* a subsidy, if it is not actually a subsidy. These categories would be meaningless if courts had discretion to ignore them on an ad hoc basis.

II. The Lanham Act's disparagement clause does not bar the registration of Simon Tam's trademark.

Section 2(a)'s disparagement clause prohibits the registration of a trademark that "[c]onsists of or comprises ... matter which may disparage ... persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute." 15 U.S.C. § 1052(a). This clause does not bar registration of THE SLANTS, for two reasons. First, the mark is simply not disparaging. Second, the statutory phrase "persons, living or dead" refers solely to natural and juristic persons, not to non-juristic entities such as racial or ethnic groups.[7]

---

[7] Because Simon Tam argued below that section 2(a) does not bar the registration of his trademark, he is entitled to defend the judgment below on this ground. *14 Penn Plaza LLC v Pyett*, 556 U.S. 247, 273 (2009). Even if that were not so, "it is a well-established principle governing the prudent exercise of this Court's jurisdiction that normally the Court will not decide a constitutional question if there is some other ground upon which to dispose of the case." *Bond v. United States*, 134 S. Ct. 2077, 2087 (2014) (citation and internal quotation marks omitted). A proper interpretation of section 2(a) is such a ground.

"Once a federal claim is properly presented, a party can make any argument in support of that claim; parties are not limited to the precise arguments they made below." *Yee v. City of Escondido*, 503 U.S. 519, 534 (1992); *see also Lebron v. National R.R. Passenger Corp.*, 513 U.S. 374, 379 (1995) (describing this as "[o]ur traditional rule"). Our claim is that section 2(a) does not bar the registration of Tam's trademark.

A. Simon Tam's trademark is not disparaging.

THE SLANTS, as used by Simon Tam to refer to his band, is not disparaging when the mark is considered in context. The PTO erroneously evaluates marks in isolation, shorn of context. That is not how ordinary people determine whether words are disparaging, so it cannot be what Congress intended when it prohibited the registration of disparaging marks.

Whether a word is disparaging depends primarily on context. To call someone an "assassin" is extremely disparaging in many circumstances, but the term is high praise on a football field. *See* Jack Tatum, *They Call Me Assassin* (1980). "Fat" may disparage the overweight, but when used in its alternative slang sense it is "a general term of approval," meaning "excellent, fantastic, attractive." *Green's Dictionary of Slang* (digital ed. 2016), https://greensdictofslang.com/entry/hvdvmki. In some contexts it is a compliment to call a person "punctual," but if that is the only adjective in a reference letter for a clerkship candidate, the reader will understand by such faint praise that the writer considers the candidate unfit for the job. Words are not disparaging in isolation. They disparage only when used in a context intended and understood to convey a negative viewpoint.

Even "nigger" and its variants are not disparaging when used with pride and understood that way. For example, the comedian and civil rights activist Dick Gregory entitled his 1964 autobiography *Nigger*. The

book sold more than a million copies. The comedian Richard Pryor won a Grammy Award for his 1974 album *That Nigger's Crazy*. One of the most well-known and influential musical groups of the 1980s and 1990s was N.W.A., which fans knew stood for "Niggaz Wit Attitudes." "Nigger" or "niggaz" can certainly be used in a disparaging way, but Gregory, Pryor, and N.W.A. did not use the terms that way, and their millions of fans did not interpret the terms as disparaging.

The same is true of THE SLANTS. Simon Tam and his band members are not disparaging Asian-Americans. They are doing precisely the opposite; they are appropriating a slur and using it as a badge of pride. Simon Tam is not a bigot; he is fighting bigotry with the time-honored technique of seizing the bigots' own language. "Slant" can certainly be used in a disparaging way, but Tam is not using it that way. Even the most cursory awareness of The Slants' music and the way it is packaged and marketed makes that clear.

If the PTO interpreted the statute literally, that would be enough to find that THE SLANTS does not "disparage" anyone. But the PTO instead uses a two-part test that is very different from the text of the statute. To determine whether matter in a trademark is disparaging, the PTO considers:

> 1) what is the likely meaning of the matter in question, taking into account not only dictionary definitions, but also the relationship of the matter to the other elements in the mark, the nature of the goods or services, and the man-

> ner in which the mark is used in the marketplace in connection with the goods or services; and
>
> 2) if that meaning is found to refer to identifiable persons, institutions, beliefs or national symbols, whether that meaning may be disparaging to a substantial composite of the referenced group.

Pet. App. 171a-172a. The PTO invented this test in *Harjo v. Pro-Football, Inc.*, 50 U.S.P.Q.2d 1705, 1999 WL 375907, *36 (TTAB 1999), *rev'd on other grounds*, 284 F. Supp. 2d 96 (D.D.C. 2003), and has applied it ever since.

Both parts of the PTO's test depart from the statute the PTO is ostensibly interpreting. The first part of the test tells examiners to rely on (a) dictionary definitions, (b) the design of the mark and its surrounding packaging, (c) the good or service being sold, and (d) the manner in which the applicant uses the mark. This list excludes the most important contextual considerations that make up the ordinary meaning of the word "disparage." Anyone familiar with The Slants' music and with Simon Tam's career would recognize instantly that Tam is not disparaging Asian-Americans by calling his band The Slants—anyone, that is, who is not constrained by the PTO's test. By excluding such contextual factors, the first part of the PTO's test treats Simon Tam as if he were a hate-spewing racist. The PTO's test would treat Dick Gregory and Richard Pryor as if they were George Wallace and Bull Connor. A

straightforward interpretation of the word "disparage" would not yield such absurd results.

The second part of the PTO's test is also contrary to the text of the statute. It tells examiners to determine whether the mark "may be disparaging to a substantial composite of the referenced group." A "substantial composite" means "not necessarily a majority," but the test provides no limit on how small a percentage of the referenced group must be offended. Pet. App. 172a. The test instructs examiners to refuse registration if a mark would be viewed as disparaging by a *minority* of a group's members, not if the mark would be viewed as disparaging by the affected group generally. But the statute does not include, or even hint at, this "substantial composite" formula. The statute bars the registration of disparaging marks, not marks that most members of the referenced group find non-disparaging.

The PTO's two-part test is not entitled to deference under *Chevron, U.S.A., Inc. v. NRDC*, 467 U.S. 837 (1984), because it is not a reasonable construction of the Lanham Act. The PTO's test does not clarify ambiguity in the disparagement clause. Rather, the PTO's test *rewrites* the disparagement clause, making it much easier for examiners to find disparagement than the text of the statute permits.

In this case, rather than considering the full context surrounding Simon Tam's use of THE SLANTS, the PTO simply looked up the word "slant" in several dictionaries. Pet. App. 163a-165a. Rather than asking whether Tam's use of THE SLANTS disparages Asian-Americans generally, the PTO quoted the

views of a blogger and a few self-styled spokespeople for Asian-Americans, Pet. App. 167a-168a, to conclude that "a substantial composite of the referenced group find the term objectionable." Pet. App. 181a. Had the PTO followed the text of the statute rather than its own two-part test, the outcome would have been different.

B. The disparagement clause bars the registration of marks that disparage natural and juristic persons, not marks that disparage non-juristic entities such as racial and ethnic groups.

The PTO also erred in construing section 2(a)'s bar on the registration of marks that may disparage "persons" to include marks that disparage non-juristic entities such as racial and ethnic groups. In fact, the quoted term includes only natural and juristic persons.

1. The text of the disparagement clause indicates that it does not bar the registration of marks that disparage minority groups.

The disparagement clause bars the registration of marks that disparage "persons," which is a defined term in the Lanham Act. "The term 'person' ... includes a juristic person as well as a natural person. The term 'juristic person' includes a firm, corporation, union, association, or other organization capable of suing and being sued in a court of law." 15 U.S.C. § 1127. Non-juristic entities incapable of su-

ing and being sued, such as racial and ethnic groups, are not "persons" under this definition. Yet the PTO treats such groups as "persons" under the disparagement clause. *See, e.g., Boswell v. Mavety Media Group Ltd.*, 52 U.S.P.Q.2d 1600, 1999 WL 1040108, *5 (TTAB 1999).

The PTO is misinterpreting the statute. The disparagement clause bars the registration of marks—such as JOHN SMITH IS EVIL—that disparage *natural* persons. It also bars the registration of marks—such as THE REPUBLICAN PARTY IS EVIL—that disparage *juristic* persons. But the disparagement clause explicitly does *not* bar the registration of marks that disparage entities that are not juristic persons. Thus one can register LEFTHANDERS ARE EVIL or REDHEADS ARE EVIL or even ASIAN-AMERICANS ARE EVIL without running afoul of the disparagement clause.

To be sure, each individual Asian-American is a natural person. But the statute cannot be read to bar marks that disparage Asian-Americans on this ground, because *all* collective entities are made up of natural persons, including lefthanders, redheads, and all manner of associations and organizations that are not "juristic person[s]" because they are not capable of suing and being sued. If the disparagement of a non-juristic group were deemed to constitute the disparagement of the individuals who make up that group, the Lanham Act's distinction between juristic and non-juristic entities would be a nullity.

This conclusion is reinforced by the text of the sentence in which the disparagement clause is located. The disparagement clause immediately follows a

provision that bars registering a mark that comprises "immoral, deceptive, or scandalous matter." 15 U.S.C. § 1502(a). This provision is more sweeping than the disparagement clause, because it is not limited in scope by the definition of "person." It bars *all* matter that is immoral, deceptive, or scandalous. The disparagement clause could have been worded this way too, as a simple bar on all matter that is "disparaging," without reference to the word "person." So worded, the disparagement clause would have barred the registration of marks comprising matter disparaging to juristic and non-juristic entities alike. But Congress did not word the disparagement clause this way. The contrast between the two clauses provides further evidence that the disparagement clause does not bar the registration of marks that disparage non-juristic entities.

2. The history of the disparagement clause confirms that it does not bar the registration of marks that disparage minority groups.

The history of the disparagement clause confirms that it was not intended to protect racial and ethnic groups. The clause was added in 1939 to one of the bills that eventually became the Lanham Act in 1946. H.R. 4744, 76th Cong., 1st Sess. (1939), § 2(a). It is very unlikely that members of Congress were concerned about trademarks that were disparaging to racial or ethnic groups in a period when much worse forms of discrimination were still common and civil rights legislation was not yet on the horizon.

At the time, moreover, it was not unusual for registered trademarks to include racial epithets. Trademarks with registrations in effect during this period included NIGGER HEAD golf equipment (No. 221,097, registered in 1926 for a 20-year term), NIGGER PRIZE HEAD ice cream (No. 301,747, registered in 1933 for a 20-year term), NIGGER IN DE CANE PATCH syrup (No. 186,950, registered in 1924 for a 20-year term and renewed in 1944 for another 20-year term), and NIGGER BABY oranges and grapefruit (No. 217,067, registered in 1926 for a 20-year term and renewed in 1946 for another 20-year term). There is no evidence that the disparagement clause was intended to halt the registration of such trademarks. Rather, when the clause was discussed in Congress, the only examples of disparagement anyone mentioned concerned natural persons (such as Abraham Lincoln and George Washington) and juristic persons (including the New York Athletic Club and Harvard University). *Trade-Marks: Hearings on H.R. 4744 Before the Subcomm. on Trade-Marks of the H. Comm. on Patents*, 76th Cong., 1st Sess. 19-21 (1939).

The purpose of the disparagement clause was not to protect minority groups. Rather, the purpose was to bring American trademark law into conformity with American treaty obligations. One of the primary objectives of the Lanham Act was, as the House and Senate reports both explained, "[t]o carry out by statute our international commitments." H.R. Rep. No. 219, 79th Cong., 1st Sess. 4 (1945); S. Rep. No. 1333, 79th Cong., 2d Sess. 5 (1946). Indeed, the full title of the Lanham Act is "An Act to provide for the

registration and protection of trade-marks used in commerce, to carry out the provisions of certain international conventions, and for other purposes." 60 Stat. 427 (1946).

At the time, the most recent of these international conventions was the Inter-American Convention for Trade Mark and Commercial Protection, which the United States ratified in 1931. 46 Stat. 2907 (1931). *See* Stephen P. Ladas, *The Lanham Act and International Trade*, 14 Law & Contemp. Probs. 269, 270 (1949) ("Prior to the adoption of the Lanham Act, our federal trade-mark legislation did not accord, in several respects, with the stipulations of the international or Pan American Conventions."); Harry Aubrey Toulmin, Jr., *The Trade-Mark Act of 1946* at 6 (1946) ("The bill ... eliminates those sources of friction with our Latin-American friends.").

Article 3.4 of the Inter-American Convention prohibited the registration of trademarks "[w]hich tend to expose persons, institutions, beliefs, national symbols or those of associations of public interest, to ridicule or contempt." 46 Stat. 2916. American trademark law included no such provision at the time. The Boston lawyer Harrison Lyman accordingly suggested that American law should bar the registration of any mark "which is calculated to bring into disrepute or ridicule anyone in the place or community he resides. That is the way our Latin friends interpret it." *Trade-Marks: Hearings on H.R. 9041 Before the Subcomm. on Trade-Marks of the H. Comm. on Patents*, 75th Cong., 3d Sess. 80 (1938). Representative Lanham responded: "It seems to me to be

very good phraseology. ... We appreciate that suggestion, Mr. Lyman." *Id.*

As enacted, section 2(a) of the Lanham Act slightly reworded the Inter-American Convention provision without any loss in meaning. It barred the registration of marks that "disparage" or "bring ... into contempt, or disrepute" (rather than "expose ... to ridicule or contempt") the same list of plural nouns as in the Convention—persons, institutions, beliefs, and national symbols. The history of the disparagement clause thus confirms that the clause was not intended to protect minority groups against trademarks that use derogatory words.

3. For more than half a century, the PTO did not interpret the disparagement clause to bar the registration of marks that disparage minority groups.

After the enactment of the Lanham Act, the Patent Office (as it was then called) continued for many years to register trademarks that included text and images derogatory to minority groups. These marks included BLACK SAMBO candy (No. 521,115, registered in 1950), HONEY CHILE food (No. 534,667, registered in 1950, consisting of an image of a "pickaninny"), HIM HEEP BIG TRADER auto repair (No. 560,255, registered in 1952, consisting of an image of a Native American speaking to a motorist), GOLLIWOGG perfumes (No. 565,420, registered in 1952), WAMPUM INJUN corn chips (No. 734,604, registered in 1962), and U-NEED-UM tires (No. 797,805, registered in 1965, including an unflattering image of a

Native American). The Patent Office did not reject such marks as disparaging, in keeping with section 2(a)'s bar only on the registration of marks that disparage natural and juristic persons.

It was not until 1999, more than half a century after the enactment of the Lanham Act, that the TTAB first barred registration of a mark under the disparagement clause for including a word offensive to a racial or ethnic group. *See Harjo v. Pro-Football, Inc.*, 50 U.S.P.Q.2d 1705, 1999 WL 375907 (TTAB 1999) (holding that REDSKINS disparages Native Americans), *rev'd*, 284 F. Supp. 2d 96 (D.D.C. 2003). Since 1999, the TTAB has refused registration to several other marks on similar grounds. *See In re Squaw Valley Dev. Co.*, 80 U.S.P.Q.2d 1264, 2006 WL 1546500 (TTAB 2006) (holding that SQUAW disparages Native Americans); *In re Heeb Media, LLC*, 89 U.S.P.Q.2d 1071, 2008 WL 5065114 (TTAB 2008) (holding that HEEB disparages Jews); *In re Lebanese Arak Corp.*, 94 U.S.P.Q.2d 1215, 2010 WL 766488 (TTAB 2010) (holding that KHORAN, used for wine, disparages Muslims); *In re Geller*, 2013 WL 2365001 (TTAB 2013) (holding that STOP THE ISLAMISATION OF AMERICA disparages Muslims); *In re Beck*, 114 U.S.P.Q.2d 1048, 2015 WL 1458229 (TTAB 2015) (holding that PORNO JESUS disparages Christians).

The contrast between the PTO's original view of the disparagement clause and its current view can be seen most starkly in *Lebanese Arak*, which presented facts virtually identical to a case from a half century before. In *In re Reemtsma Cigarettenfabriken G.M.B.H.*, 122 U.S.P.Q. 339, 1959 WL 6173 (TTAB 1959), when an applicant sought to register

SENUSSI for cigarettes, the TTAB determined that Senussi "is the name of a Moslem sect" the tenets of which "forbid the use of cigarettes." Because the use of the term "is an affront to such persons and tends to disparage their beliefs," the TTAB affirmed the denial of registration—not on the ground that the mark disparaged the Senussi sect, but on the ground that it was scandalous. *Id.* at *1. In *Lebanese Arak*, the mark was for wine, and it used the name of the Koran, which forbids alcoholic beverages. The TTAB refused registration on the ground that the mark was "disparaging to followers of Islam." *Lebanese Arak*, 2010 WL 766488, at *4. The TTAB explained in *Lebanese Arak* that although it had once assessed such marks under the "scandalous" provision of the Lanham Act, "it has become clear that the proper ground for refusing marks which would offend the sensibilities of an ethnic or religious group is that the matter is disparaging to the members of that group, rather than that the matter is offensive or scandalous." *Id.* at *3.

Despite the "juristic person" requirement in the Lanham Act, the TTAB now uses the disparagement clause to reject trademarks that disparage non-juristic groups. The PTO's interpretation of "person" to include non-juristic entities is not entitled to *Chevron* deference, because it flatly contradicts the text of the statute. The Lanham Act explicitly confines the disparagement bar to marks that disparage natural and juristic persons. Section 2(a) does not bar the registration of marks that disparage non-juristic entities, such as racial and ethnic groups.

III. The Lanham Act's disparagement clause is unconstitutionally vague.

The Due Process Clause "requires the invalidation of laws that are impermissibly vague." *FCC v. Fox Television Stations, Inc.*, 132 S. Ct. 2307, 2317 (2012). The prohibition of vague laws serves two purposes: "first, that regulated parties should know what is required of them so they may act accordingly; second, precision and guidance are necessary so that those enforcing the law do not act in an arbitrary or discriminatory way." *Id.* "When speech is involved, rigorous adherence to these requirements is necessary to ensure that ambiguity does not chill protected speech." *Id.* For this reason, where a law burdens speech, "a more stringent vagueness test should apply." *Village of Hoffman Estates v. Flipside, Hoffman Estates, Inc.*, 455 U.S. 489, 499 (1982).

The disparagement clause fails any vagueness test, stringent or not. The PTO's record speaks for itself. The Court of Appeals catalogued some of the highlights, in finding that "[t]he PTO's record of trademark registrations and denials often appears arbitrary and is rife with inconsistency." Pet. App. 33a n.7. The PTO refused registration to HAVE YOU HEARD SATAN IS A REPUBLICAN, because it disparaged the Republican Party, but did not find THE DEVIL IS A DEMOCRAT disparaging. The PTO has registered FAGDOG on some occasions, and on other occasions has found FAGDOG disparaging. After citing these examples and others, the Court of Appeals appropriately concluded: "We see no rationale for the PTO's seemingly arbitrary registration decisions, let alone

one that would give applicants much guidance." Pet. App. 33a n.7.

Part of the problem is the subjectivity inherent in deciding whether a word is disparaging. Different examiners in the PTO come to different conclusions about indistinguishable marks, because each has his or her own idea of what is disparaging. Just as the term "annoying" is an unconstitutionally vague basis for legal consequences because different people find different things annoying, *Coates v. City of Cincinnati*, 402 U.S. 611, 614 (1971), the term "disparage" is too vague a basis for burdening speech.

The PTO has been aware of this problem for some time. When Congress was considering the bill that became the Lanham Act, the Assistant Commissioner of Patents testified:

> I would like to make this suggestion with respect to the word "disparage." I am afraid that the use of that word in this connection is going to cause a great deal of difficulty in the Patent Office, because, as someone else has suggested, that is a very comprehensive word, and it is always going to be just a matter of the personal opinion of the individual parties as to whether they think it is disparaging.

Trade-Marks: Hearings on H.R. 4744, at 21. More recently, the PTO has acknowledged that "the guidelines for determining whether a mark is scandalous or disparaging are somewhat vague and the determination of whether a mark is scandalous or disparaging is necessarily a highly subjective one." *In re Over Our Heads, Inc.*, 16 U.S.P.Q.2d 1653, 1990 WL

354546, *1 (TTAB 1990) (citation, brackets, and internal quotation marks omitted). *See also Harjo v. Pro-Football, Inc.*, 50 U.S.P.Q.2d 1705, 1999 WL 375907, *35 (TTAB 1999) ("the determination of whether matter may be disparaging is highly subjective").

Another layer of vagueness is added by the statutory text, which does not merely bar the registration of marks that actually *do* disparage persons; it also bars the registration of marks that "*may* disparage" persons. This is subjectivity squared. What likelihood of disparagement suffices? No one knows, not even the PTO's own examiners. How could that likelihood be calculated? Again, no one knows.

The PTO has made the vagueness problem even worse by construing the statute non-literally to bar the registration of marks that disparage amorphous groups as well as natural and juristic persons. It can be hard enough to tell whether a mark disparages an individual or a company, but it is often far more ambiguous whether a mark disparages a race, or a gender, or any of the non-juristic groups to which we all belong. Is DANGEROUS NEGRO disparaging? AMISHHOMO? CELEBRETARDS? According to the PTO, the answers are no, yes, and no, Pet. App. 33a n.7, 35a, but the opposite answers would have been just as plausible.

The problem is compounded even further by the PTO's refusal to say how many members of the referenced group must perceive disparagement. All the PTO will say is that it must be "a substantial composite," which is "not necessarily a majority," Pet. App.

172a, but is presumably more than a single person. If a quarter or a tenth of the members of a group find a mark disparaging, is that a substantial composite? No one knows—again, not even the PTO's own examiners.

The PTO might as well be tossing a coin. It granted registration to HEEB in 2004 as the name of a magazine about Jewish culture, but refused registration to the same applicant for HEEB in 2008 as the name of a clothing line on the ground that the word is "a highly disparaging reference to Jewish people." *In re Heeb Media, LLC*, 89 U.S.P.Q.2d 1071, 2008 WL 5065114, *1 (TTAB 2008). The PTO refused registration in 2008 to MARRIAGE IS FOR FAGS on the ground that "fag" is "an offensive term for a gay man" (serial no. 77477549, office action 11/19/2008), but granted registration in 2005 to F.A.G. FABULOUS AND GAY. Pet. App. 33a n.7. Applicants have no way to predict what the PTO will do.

The list of arbitrary disparagement decisions goes on and on. The PTO granted registration in 1992 to WILD INJUN as the name of a "frame assembly for holding a ballcap when washed in a dishwasher" (reg. no. 1673489), but refused registration in 2007 to URBAN INJUN as the name of a booking service for Native American musicians, on the ground that the word "Injun" "refers to 'Native Americans' in a disparaging manner" (serial no. 77186637, office action 11/19/2007). The PTO granted registration in 2013 to DAGO SWAGG for athletic apparel, but refused registration in 2007 to DAGO MARY'S as the name of a restaurant on the ground that "Dago" is "an offensive slur against Italians and Italian Americans, intend-

ed to refer to them in a disparaging manner" (serial no. 78954137, office action 1/17/2007). Judge O'Malley put it well in her concurring opinion below: The disparagement clause's vagueness "provides the government with virtually unlimited ability to pick and choose which marks to allow and which to deny." Pet. App. 75a.

"Vague laws force potential speakers to 'steer far wider of the unlawful zone' ... than if the boundaries of the forbidden areas were clearly marked." *Brown v. Entertainment Merchants Ass'n*, 564 U.S. 786, 807 (2011) (Alito, J., concurring in the judgment) (quoting *Baggett v. Bullitt*, 377 U.S. 360, 372 (1964) (quoting *Speiser v. Randall*, 357 U.S. 513, 526 (1958))). The vagueness of the disparagement clause is a strong incentive to shy away from names the PTO might conceivably find disparaging, because it can be extraordinarily disruptive and costly to change the name of a product that is already in the market. The vagueness of a content-based speech regulation "raises special First Amendment concerns because of its obvious chilling effect on free speech." *Reno v. ACLU*, 521 U.S. 844, 871-72. The disparagement clause is a perfect example.

Vague speech restrictions do not just chill speech; they also facilitate "discriminatory enforcement." because a "vague law impermissibly delegates basic policy matters" to low-level decision-makers "for resolution on an *ad hoc* and subjective basis, with the attendant dangers of arbitrary and discriminatory application." *Grayned v. City of Rockford*, 408 U.S. 104, 108-09 (1972). The PTO's consideration and rejection of MARRIAGE IS FOR FAGS took place right in

the midst of the controversy over California's Proposition 8, which prohibited same-sex marriage. The applicant lived in California. We will never know whether the PTO's examiner was discriminating against the view expressed in the trademark, and that is precisely why vague speech restrictions like the disparagement clause are so pernicious.

The problem is not, as the government contends (U.S. Br. 51-52), merely that some of the PTO's less skillful examiners make occasional mistakes in applying the disparagement clause. The problem is deeper than that. The disparagement clause is too vague to be applied in a predictable manner, even by the best of examiners. The PTO itself has admitted that the clause is "vague" and that decisions under it are "highly subjective." The PTO has had seventy years to work on this problem, and it is no closer to a solution today than at any time in the past.

CONCLUSION

The judgment of the Court of Appeals should be affirmed.

Respectfully submitted,

STUART BANNER
EUGENE VOLOKH
UCLA School of Law
Supreme Court Clinic
405 Hilgard Ave.
Los Angeles, CA 90095

JOHN C. CONNELL
Counsel of Record
RONALD D. COLEMAN
JOEL G. MACMULL
Archer & Greiner, P.C.
One Centennial Square
P.O. Box 3000
Haddonfield, NJ 08033
(856) 795-2121
jconnell@archerlaw.com